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Allison Stoltz

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EXAMINER

VAN DOREN, BETH

ART UNIT

PAPER NUMBER

3623

MAIL DATE

DELIVERY MODE

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## Office Action Summary

Application No.

10/022,438

Applicant(s)

STOLTZ, ALLISON

Examiner

Beth Van Doren

Art Unit

3623

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 23 August 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-6,9-17 and 20-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-6,9-17,20 and 22-26 is/are rejected.
- 7) ☒ Claim(s) 21 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☐ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- ☐ Notice of Informal Patent Application
- ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 08/23/07 has been entered.

Claims 1, 6, 23-24, and 26 have been amended. Claims 1-6, 9-17, and 20-26 are pending.

### ***Response to Amendment***

2. Applicant's amendment claim 26 is sufficient to overcome the claim objections set forth in the previous office action. Examiner notes that applicant has marked claim 26 "previously presented" instead of "currently amended", showing the change to the numbering. Examiner respectfully requests that applicant mark such changes in the future to avoid a notice of non-compliance.

### ***Allowable Subject Matter***

3. Claim 21 is objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

### ***Claim Rejections - 35 USC § 102***

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 1-6, 9-17, 20, 22, and 25-26 are rejected under 35 U.S.C. 102(e) as being anticipated by Barton et al. (U.S. 2002/0059093).

As per claim 1, Barton et al. teaches a method for use in compliance management, comprising:

presenting, via a computer network, a user with a series of questions relating to at least one business category (See figure 11, paragraphs 0010, 0012-4, 0049, 0051, wherein questions are presented via the network concerning compliance risk);

soliciting, via the computer network, a response from the user for each question presented (See paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein the questions are answered);

determining a detection index based on the number of responses and corresponding answers to each of the series of questions (See paragraphs 0013-14, 0060, 0081, and 0084, wherein detection is determined based on the responses received (and there answers) to a questionnaire. The system tracks when responses are received. The answers corresponding to the questions are used to perform calculations);

determining an occurrence index based on the potential consequence of non-compliance (See paragraphs 0007, 0081, and 0084, wherein occurrence index is determined);

determining a standard severity risk index based on the expected severity of non-compliance (See paragraphs 0068, 0072-3, 0075, 0081, 0084, wherein severity indexes are considered); and

prioritizing, via the computer network, the at least one business category based on the user's responses and at least one total risk score comprising the product of the detection, occurrence, and standard severity risk indices (See paragraphs 0081, 0084-7, wherein a risk score is calculated based on these factors. See also paragraphs 0068-9, 0072, 0081, 0090-1, where risk prioritization numbers are generated to determine the order to handle the risk areas of the business).

As per claim 2, Barton et al. discloses wherein the user response comprises a "Yes" or "No" (See paragraphs 0060 and 0064, wherein the questions are answered yes/no).

As per claim 3, Barton et al. discloses wherein the at least one standard severity risk index comprises a number between 1 and 10 corresponding to a specific level of risk (See paragraph 0060, 0068, 0072-5, wherein severity is valued 1-10).

As per claim 4, Barton et al. discloses wherein the number "1" comprises the lowest level of risk severity, and the number "10" the highest level of severity (See paragraph 0060, 0068, 0072-5, wherein 1 is low and 10 is high severity).

As per claim 5, Barton et al. teaches wherein the at least one standard severity risk index corresponds to the at least one business category (See paragraph 0040, 0060, 0068, 0072-5, which corresponds to at least one business category. See also figure 11).

As per claim 6, Barton et al. discloses the step of determining a detection index based on the user's responses, and the number of users (See paragraphs 0065 and 0084, wherein the

detection index is determined based on the responses from the at least one user). Barton et al. also generates a score based on the number of questions presented (i.e. "opps") (See paragraphs 0065 and 0084, where the number of questions presented (ie opportunities) are used to determine a score).

As per claim 9, Barton et al. teaches ranking the at least one business category based on the at least one total risk score (See paragraphs 0081, 0084-7, wherein a risk score is calculated. See also paragraphs 0068-9, 0072-5, 0081, 0090-1, where risk is prioritized).

As per claim 10, Barton et al. teaches a system for use in compliance management, comprising:

a query module associated with an engine for presenting at least one user with a series of questions relating to at least one business category, and for soliciting and receiving responses from the at least one user for each question presented (See figure 11, paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein questions are presented via the network concerning compliance risk and answers are received);;

a prioritization module associated with the engine for: (1) determining a detection index based on the number of responses to each of the series of questions, determining an occurrence index based on the potential consequence of non-compliance, and determining a standard severity risk index based on the expected severity of non-compliances (See paragraphs 0068, 0072-3, 0075, 0081, 0084, wherein a detection, occurrence, and severity index are determined) and (2) prioritizing the at least one business category based on the at least one user's responses and at least one total risk score comprising the product of a detection, occurrence and standard severity risk indices (See paragraphs 0081, 0084-7, wherein a risk score is calculated based on

these factors. See also paragraphs 0068-9, 0072, 0081, 0090-1, where risk prioritization numbers are generated to determine the order to handle the risk areas of the business).

As per claim 11, Barton et al. teaches wherein the series of questions are presented to the user over a communications network (See figure 11, paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein questions are presented via the network).

As per claim 12, Barton et al. teaches wherein an administration module associated with the engine for inputting, updating and accessing data associated with the query and prioritization modules, the administration module being accessible to an administrator of the system via an administration interface (See paragraphs 0012-3, 0048-51, 0060, 0064, wherein an administrator and interface is disclosed).

Claims 13-17 and 20 recite equivalent limitations to claims 2-6 and 9, respectively, and are therefore rejected using the same art and rationale as applied above.

As per claim 22, Barton et al. teaches wherein the occurrence index weighs the total risk score based on the potential consequences of non-compliance (See paragraphs 0081, 0084-7, wherein a risk score is calculated based on these factors, and wherein occurrence influences and affects the overall score. See also paragraphs 0072 and 0075).

As per claim 25, claim 25 is rejected using the same art and rationale set forth above with respect to claim 21. Barton et al. further discloses assessing a potential consequence of non-compliance, the potential consequence of non-compliance relating to parameters and the values of such parameters (See figure 16 and paragraphs 7, 38, 42, 44, 55, that disclose potential consequences (failure effects) of failures of non-compliance);

determining an occurrence index based on the potential consequence of non-compliance that was assessed, such that the occurrence index changes as the parameters associated with the potential consequence of non-compliance change, the occurrence index that is determined being one of at least three possible occurrence indices, the at least three possible occurrence indices being provided as possible occurrence indices (See figure 16 and paragraphs 81 and 84, which disclose an occurrence index that results from the identified potential failures and the failure's effects. The occurrence index can be chosen from a set of 1-10).

As per claim 26, Barton et al. teaches wherein the detection index by a relationship between the number of queries or questions that were answered with a particular response, the total number of queries or questions in the category, and the number of departments or units responding (See paragraphs 0010, 0012-4, 0049, 0051, 0060, wherein the questions are answered. Paragraphs 56-9, 62, 72, and 90, specifically discuss the gathering of information from interviews and questionnaires into the knowledge base of the system. This knowledge base is relied upon to determine the detection index. See specifically paragraphs 0081 and 0084, wherein detection is determined using the knowledge base).

### ***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 23-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Barton et al. (U.S. 2002/0059093).

As per claims 23 and 24, Barton et al. teaches the potential consequence of non-compliance (See paragraphs 0081 and 0084-6). However, Barton et al. does not expressly disclose that the potential consequence of non-compliance is based on the total number of agents or employees affected by non-compliance or the total number of policies in force.

Barton et al. discloses that the potential consequence of non-compliance, which is considered in the system when determining an occurrence index. It is old and well known in the art that employees and the number of policies are factors that cause occurrences of non-compliance, such as a regulation being violated by a policy or an employee not following a rule. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to consider employees affected by non-compliance and the total number of policies in force in the occurrence index when considering the potential consequence of non-compliance in Barton et al. in order to more efficiently determine the potential for failure concerning the business by taking into account the areas in which non-compliance events may occur. See paragraphs 0065 and 0084.

#### ***Response to Arguments***

8. Applicant's arguments with regards to Barton et al. (U.S. 2002/0059093) have been fully considered, but they are not persuasive. In the remarks, Applicant argues that (1) Barton et al. does not teach or suggest "determining an occurrence index based on the potential consequence of noncompliance" and that the occurrence factor of Barton is concerned with whether a non-compliance is likely to occur (i.e. likelihood) instead of the potential consequence, (2) Barton et

al. does not teach or suggest a detection index based on a number of responses to each of the series of questions, (3) Applicant traverses the assertion of official notice with respect to claims 23-24, and that “It is old and well known in the art that employees and the number of policies are factors that cause occurrences of non-compliance, such as a regulation being violated by a policy or an employee not following a rule”, and (4) Barton et al. does not disclose using an occurrence index based on the potential consequences of non-compliance based on the total number of agents or employees affected by non-compliance or based on the total number of policies in force.

In response to argument (1), Examiner respectfully disagrees. The claim recites, “determining an occurrence index based on the potential consequence of noncompliance”, and thus the claim does not recite a specific manner in which the index is determined, but merely that it is based (i.e. being founded or established) on the potential consequences (or potential effect, result, or outcome) of noncompliance. Therefore, the recitation of “potential consequences of noncompliance” requires that the determined index considers the fact that consequences of non-compliance occur. Examiner further points out that in the broadest reasonable interpretation of the claim, the term “determining” would mean deciding on, discovering, or finding out. The claim does not require the use of a specific algorithm or method within the scope of the claim language. Thus, the language “determining an occurrence index” merely requires setting a value in the system that reflects the value of the index based on received answers to questions.

Barton et al. teaches “determining an occurrence index based on the potential consequence of noncompliance” as shown in at least paragraphs 81 and 84. Barton et al. identifies potential failure modes and root causes of these failures in order to quantify

compliance issues, assess potential risks, and mitigate and control risks. The term failure, within the context of Barton et al., is compliance failure and includes the causes and effects of failure. Thus, the possibility of failure is a potential consequence of noncompliance. See at least paragraphs 7, 38, and 42. An FMEA matrix is constructed that includes a likelihood of occurrence factor. Using the rating system, numbers are calculated using an occurrence factor to rank risks of noncompliance and recommend actions to reduce the risks. All of these calculations are based on the fact that failures occur. Therefore, the Occurrence Index is the value created using the rating system, which is based on the possibility of failure as a potential consequence of noncompliance.

In response to argument (2), Examiner respectfully disagrees. Barton et al. discloses that a user responds to a questionnaire/interview. After these responses are received, the FMEA matrix is utilized to determine severity, occurrence, and detection. The detection factor represents whether or not potential failures will be detected based on the controls in place (based on that which was solicited from the user). Examiner notes that the claim recites “determining a detection index based on the number of responses and corresponding answers to each of the series of questions”, but does not say how specifically the responses and answers are utilized in the determination. Examiner further notes that an index is merely a symbol or representation of detection and therefore a factor is an index in the broadest reasonable interpretation of the claims. See paragraphs 0013-14, 0060, 0081, and 0084.

In response to argument (3), Applicant has attempted to challenge the Examiner’s taking of Official Notice. However, Applicant must seasonably traverse (challenge) the taking of Official Notice as soon as practicable, meaning the next response following an Office Action. If

an applicant fails to seasonably traverse the Official Notice during examination, his right to challenge the Official Notice is waived. In this case, the official notice was first presented in the office action dated 11/02/06. Applicant filed a response on 03/02/2007, at which time applicant did not traverse Examiner's taking of official notice. A subsequent office action went out on 5/23/07, and the applicant replied with the current response that challenges the official notice. Therefore, this challenge has not been seasonably presented.

In response to argument (4), Examiner respectfully disagrees. Barton et al. does teach and suggest "determining an occurrence index based on the potential consequence of noncompliance", as explained above with respect to argument (1). Further, examiner maintains that it is old and well known in the art that employees and the number of policies are factors that cause occurrences of non-compliance, such as a regulation being violated by a policy or an employee not following a rule. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to consider employees affected by non-compliance and the total number of policies in force in the occurrence index when considering the potential consequence of non-compliance in Barton et al. in order to more efficiently determine the potential for failure concerning the business by taking into account the areas in which non-compliance events may occur. See paragraphs 0065 and 0084, which disclose such motivation.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Beth Van Doren whose telephone number is 571-272-6737. The examiner can normally be reached on M-F, 8:00-5:00.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq Hafiz can be reached on 571-272-6729. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

*lwd*  
bvd

November 05, 2007

*Beth Van Doren*  
BETH VAN DOREN  
PRIMARY EXAMINER  
*Art 3623*